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Part VIII
Common support services

Section 28B
Office of Programme Planning, Budget and Accounts

(Programme 24 of the biennial programme plan and priorities for the period 2008-2009)**

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* A summary of the approved programme budget will subsequently be issued as *Official Records of the General Assembly, Sixty-second Session, Supplement No. 6* (A/62/6/Add.1).

** *Official Records of the General Assembly, Sixty-first Session, Supplement No. 6* (A/61/6/Rev.1).

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Overview

28B.1 The Office of Programme Planning, Budget and Accounts is responsible for the implementation of the work programme under this section. The programme is guided by the Administrative and Budgetary (Fifth) Committee of the General Assembly and the Committee for Programme and Coordination.

28B.2 The activities programmed under this section fall within subprogramme 2, Programme planning, budget and accounts, of programme 24, Management and central support services, of the biennial programme plan for the period 2008-2009.

28B.3 The Office of Programme Planning, Budget and Accounts:

(a) Administers and ensures compliance with the Financial Regulations and Rules of the United Nations and the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, and relevant legislative mandates;

(b) Establishes and applies the budgetary and accounting policies and procedures of the United Nations;

(c) Ensures sound financial management of all resources made available to the Organization, as well as their effective and efficient use, directly or through delegation of authority and/or instructions to other offices of the United Nations at Headquarters and overseas;

(d) Accounts for and reports to the appropriate authorities on the use made of United Nations financial resources;

(e) Facilitates intergovernmental deliberations by the General Assembly and decision-making on the issues of planning, programming, budgeting and accounts of the Organization;

(f) Implements and operates the financial components of the Integrated Management Information System (IMIS), in particular by providing specifications for changes and conducting user acceptance tests, support of the departments and offices with delegated administrative authority and the monitoring of the operations of the system.

28B.4 The Office of Programme Planning, Budget and Accounts carries out its activities in cooperation with other departments and offices of the Secretariat and, as appropriate, other entities of the United Nations system. Such collaboration and cooperation include the preparation of reports, participation in meetings, briefings, technical and substantive support and sharing information and experience.

28B.5 During the biennium 2006-2007, the Office of Programme Planning, Budget and Accounts undertook an external review to assess the extent to which the organizational structure, staffing, management framework and operations successfully fulfil the Office's objectives economically, efficiently and effectively; deliver sound financial, management and administrative control systems; and are aligned with current established best practices of structure and operational methodologies, at appropriate resource levels. An external review was also undertaken of global treasury operations to review the processes, procedures, systems and resources supporting global treasury operations at the United Nations Secretariat and several offices away from Headquarters and to identify options to improve their treasury management capabilities.

28B.6 The accepted findings from within those reviews are incorporated in the proposed programme budget for 2008-2009, resulting in both organizational changes and realignment of resources, in order to strengthen the capacity of the Office of Programme Planning, Budget and Accounts to support the increased scope and level of regular budget activities, including the International

Tribunals, the unprecedented level of special political missions and other ad hoc operations. The functions of the Office are being realigned to ensure that activities implemented from all sources of funding will be directed at improving internal controls; enhancing risk management; streamlining processes (particularly in the area of receipt, disbursement and processing of assessed contributions); strengthening information technology services; improving financial management, reporting and accounts; and improving services to meet clients' needs. During the biennium 2008-2009, the Office of Programme Planning, Budget and Accounts will continue to focus on further refining results-based budgeting and results-based management, including improvements in budget presentation, carry out periodic self-evaluations and strengthen cooperation with other departmental partners on monitoring and evaluation. It will participate actively in the selection, configuration and deployment of an enterprise resource planning system and carry out activities to ensure readiness to implement the International Public Sector Accounting Standards by 2010.

28B.7 The proposals herein do not address those elements directly related to support of peacekeeping operations, which would be funded from the peacekeeping support account, but only those elements directly related to activities financed under the regular budget. The responsibilities of the Office, as detailed in the Secretary-General's bulletin ST/SGB/2003/16, will be revised to reflect this realignment.

28B.8 The specific objectives, expected accomplishments and indicators of achievement of the main organizational units of the Office of Programme Planning, Budget and Accounts in the biennium 2008-2009 are detailed, together with resources, under executive direction and management and the programme of work.

28B.9 The overall level of resources for the Office of Programme Planning, Budget and Accounts under the regular budget amounts to $38,291,700 before recosting, reflecting a 16.3 per cent net increase of $5,374,200 from the revised appropriation for the biennium 2006-2007. The net increase as shown in table 28B.2 can be summarized as follows:

(a) The increase of $2,148,300 for posts relates to increased requirements for salaries and common staff costs comprising:

(i) An increase of $1,213,600 under executive direction and management for the establishment of one D-2 and one P-4 post for the Office of the Deputy Controller that it is proposed be re-established, and the delayed impact of four posts established for the implementation of the International Public Sector Accounting Standards;

(ii) An increase of $934,700 under programme of work for (a) the delayed impact of one P-4 post established in 2006-2007 in the Programme Planning and Budget Division, (b) the proposed establishment of one D-1 post to head the newly established Financial Information Operations Service, of one P-5 post in the Programme Planning and Budget Division, and of one P-4 and one General Service (Other level) post in the Accounts Division, (c) the reclassification of one General Service (Other level) post to the Principal level in the Accounts Division, and (d) the reclassification of the Cashier post in Treasury from P-4 to P-5;

(b) The net increase of $3,225,900 for non-post resources relates largely to increased requirements for consultants, travel of staff, contractual services and general operating expenses, offset by reduced requirements for furniture and equipment. The implementation of the International Public Sector Accounting Standards accounts for 98.5 per cent or $3,176,300, of the growth in non-post requirements, in particular consultancies, travel of staff and contractual services for the training of United Nations finance personnel at all locations on International Public Sector Accounting Standards. The remaining net 1.5 per cent growth of $49,600 relates largely to increased requirements for (a) consultants for the formulation of

course programmes and facilitation of training workshops on financial issues for Chief Administrative Officers and Chief Finance Officers, and on budget formulation and results-based budgeting and management; and (b) general operating expenses for the newly established Office of the Deputy Controller; offset by reduced requirements under contractual services due primarily to resources for systems design and development that are no longer required.

28B.10 It is estimated that during the biennium, extrabudgetary resources of $52,065,800 from various sources will be utilized to supplement resources from the regular budget for the activities carried out by the Office of the Controller and substantive activities under the programme of work, including $32,594,500 from the support account for peacekeeping operations, $17,259,600 from programme support income received as reimbursement for services provided by the central administration for extrabudgetary activities, funds and programmes, and $2,211,700 from other extrabudgetary resources.

28B.11 Pursuant to General Assembly resolution 58/269, resources were identified within the available capacity at the Professional and General Service levels for the conduct of monitoring and evaluation in the Office equivalent to 216.2 work-months of staff, or $2,765,300 ($2,072,500 funded from the regular budget and $692,800 from extrabudgetary resources).

28B.12 The percentage distribution of the total resources of the Office of Programme Planning, Budget and Accounts in 2008-2009 is shown in table 28B.1, and the distribution of resources is summarized in tables 28B.2 and 28B.3.

Table 28B.1 **Distribution of resources by component**

(Percentage)

Component	*Regular budget*	*Extrabudgetary*
A. Executive direction and management	19.3	5.0
B. Programme of work		
1. Programme planning and budgeting	23.4	6.2
2. Financial services relating to peacekeeping operations	—	28.2
3. Financial accounting, contributions and reporting	44.9	43.3
4. Treasury services	4.1	8.8
5. Financial information operations	8.3	8.5
Subtotal B	**80.7**	**95.0**
Total	**100.0**	**100.0**

Table 28B.2 **Resource requirements by component**

(Thousands of United States dollars)

(1) *Regular budget*

Component	*2004-2005 expenditure*	*2006-2007 appropriation*	*Resource growth*		*Total before recosting*	*Recosting*	*2008-2009 estimate*
			Amount	*Percentage*			
A. Executive direction and management	1 588.8	2 745.9	4 639.1	168.9	7 385.0	447.6	7 832.6
B. Programme of work							
1. Programme planning and budgeting	8 783.7	9 828.5	(865.4)	(8.8)	8 963.1	481.0	9 444.1
2. Financial services relating to peacekeeping operations[a]	—	—	—	—	—	—	—
3. Financial accounting, contributions and reporting	16 000.6	17 390.2	(214.9)	(1.2)	17 175.3	1 031.2	18 206.5
4. Treasury services	1 633.8	1 845.7	(268.0)	(14.5)	1 577.7	86.0	1 663.7
5. Financial information operations	890.8	1 107.2	2 083.4	188.2	3 190.6	182.0	3 372.6
Subtotal	**28 897.7**	**32 917.5**	**5 374.2**	**16.3**	**38 291.7**	**2 227.8**	**40 519.5**

(2) *Extrabudgetary*

	2004-2005 expenditure	*2006-2007 estimate*	*2008-2009 estimate*
Subtotal	**35 182.7**	**47 228.9**	**52 065.8**
Total (1) and (2)	**64 080.4**	**80 146.4**	**92 585.3**

[a] Resource requirements financed exclusively by the support account for peacekeeping operations.

Table 28B.3 **Post requirements**

Category	*Established regular budget posts*		*Temporary posts*				*Total*	
			Regular budget		*Extrabudgetary*[a]			
	2006-2007	*2008-2009*	*2006-2007*	*2008-2009*	*2006-2007*	*2008-2009*	*2006-2007*	*2008-2009*
Professional and above								
ASG	1	1	—	—	—	—	1	1
D-2	2	3	—	—	1	1	3	4
D-1	7	8	—	—	2	2	9	10
P-5	8	10	—	—	11	10	19	20
P-4/3	35	36	—	—	56	66	91	102
P-2/1	9	9	—	—	3	4	12	13
Subtotal	**62**	**67**	**—**	**—**	**73**	**83**	**135**	**150**
General Service								
Principal level	8	9	—	—	9	11	17	20
Other level	66	66	—	—	74	83	140	149
Subtotal	**74**	**75**	**—**	**—**	**83**	**94**	**157**	**169**
Total	**136**	**142**	**—**	**—**	**156**	**177**[a]	**292**	**319**

[a] Some of the extrabudgetary posts may not be available for the full biennium owing to changing requirements of the funds and programmes for services rendered by the United Nations.

A. Executive direction and management

Resource requirements (before recosting): $7,385,000

28B.13 The Assistant Secretary-General, Controller, is responsible for all the activities of the Office of Programme Planning, Budget and Accounts and supervises five organizational entities, namely, the Programme Planning and Budget Division, the Peacekeeping Financing Division, the Accounts Division, the Treasury and the Financial Information Operations Service. The Assistant Secretary-General, Controller, administers, as delegated, the Financial Regulations and Rules of the United Nations and ensures compliance therewith; advises the Secretary-General and the Under-Secretary-General for Management on policy matters with respect to the budget, plans, work programmes and finances of the United Nations; represents the Secretary-General in the committees of the General Assembly, the Advisory Committee on Administrative and Budgetary Questions and the Committee for Programme and Coordination in the presentation of the budget outline, the biennial programme budgets, budgets of the International Tribunals, the biennial programme plan, the United Nations capital master plan budget, peacekeeping budgets and budget performance reports; represents the Secretary-General in other bodies and working groups of the United Nations system and in other international forums on budgetary and financial matters; establishes budgetary and accounting policies, procedures and guidelines for the Organization; exercises financial control of the resources of the Organization; and designates and approves of staff members whose functions involve significant financial duties, where this authority is to be exercised by the Controller pursuant to existing rules.

28B.14 The Office of the Assistant Secretary-General, Controller, provides assistance in the overall direction, supervision and management of the Office of Programme Planning, Budget and

Accounts; discharges responsibilities as delegated to the Assistant Secretary-General, Controller, under the Financial Regulations and Rules of the United Nations; formulates policy papers, reports and guidelines and provides advice on planning, programming and budgetary and accounting matters; evaluates, reviews and formulates the terms and conditions of the delegation of the Controller's authority and responsibility under the Financial Regulations and Rules of the United Nations and monitors the application thereof; reviews all financial agreements outlining the terms and conditions of voluntary contributions, including contributions in kind and non-reimbursable loans in compliance with the Financial Regulations and Rules of the United Nations; and coordinates interdepartmental activities relating to planning, programming and budgetary and accounting matters.

28B.15 It will be recalled that the General Assembly, in its resolution 60/283, decided to approve the adoption by the United Nations of the International Public Sector Accounting Standards. During the biennium 2008-2009, the International Public Sector Accounting Standards Implementation Unit in the Office of the Assistant Secretary-General, Controller, will be responsible for the development of accounting policies and practices that are compliant with the International Public Sector Accounting Standards which would be implemented by the United Nations, incorporating substantive consideration of required information technology systems; the development and implementation of effective communication channels with the broader United Nations finance community, the Board of Auditors and with key intergovernmental bodies so that all parties are continuously updated on plans, progress and new developments; the development and implementation of a comprehensive International Public Sector Accounting Standards training programme for all finance personnel; the undertaking of a comprehensive analysis of the Organization's fixed assets and balance sheet accounts to determine an appropriate International Public Sector Accounting Standards compliant opening position as of 1 January 2010; the revision of the Financial Regulations and Rules of the United Nations arising from the adoption of the International Public Sector Accounting Standards; and the development of new documentation on accounting policies, practices and procedures in accordance with the International Public Sector Accounting Standards.

28B.16 In an effort to enhance the overall management of the Office of Programme Planning, Budget and Accounts and provide guidance to the financial community of the Organization, to respond to the identified need to improve timeliness and ensure comprehensive review and approval of administrative actions, to provide the management resources necessary to lead operational initiatives, to review extrabudgetary financing, to evaluate and ensure adequate resources to effectively and to respond promptly and follow up on implementation of the growing number of oversight recommendations by the Office of Internal Oversight Services, the Joint Inspection Unit and the Board of Auditors, the office and functions of the previous Deputy Controller at the D-2 level would be established. This office would address those needs, improve the management oversight of the operations of the Office of Programme Planning, Budget and Accounts and enable an appropriate level of burden-sharing between the Controller and Deputy Controller in addressing the complex and critical financial and financial management issues in a proactive manner.

28B.17 The functions and resources of the IMIS Support Unit of the Office of Programme Planning, Budget and Accounts, formerly in the Office of the Controller, are transferred to the Financial Information Operations Service, a new organizational unit established to consolidate and integrate information and communications technology systems in order to improve the Office's business processes and the transparency, timeliness, quality and usefulness of financial reports.

Table 28B.4 **Objectives for the biennium, expected accomplishments and indicators of achievement**

Objective of the Organization: To facilitate full implementation of legislative mandates and compliance with United Nations policies and procedures with respect to the management of financial resources of the Organization and management of the programme of work and staff of the Office.

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Sound financial management and control in the Organization	(a) Absence of significant adverse audit observations relating to financial management and control *Performance measures* 2004-2005: no significant adverse audit observations Estimate 2006-2007: no significant adverse audit observations Target 2008-2009: no significant adverse audit observations
(b) The programme of work of the Office of Programme Planning, Budget and Accounts is effectively managed and supported by staff and financial resources	(b) Reduction in the number of days to clear donor, executing agencies, host country and framework agreements *Performance measures* 2004-2005: 8 days Estimate 2006-2007: 8 days Target 2008-2009: 5 days
(c) Timely recruitment and placement of staff	(c) Average selection time is less than or equal to 120 days *Performance measures* 2004-2005: 161 days Estimate 2006-2007: 116 days Target 2008-2009: 90 days
(d) Improved financial policies	(d) Progress made towards revision of the Financial Regulations and Rules of the United Nations necessary for full compliance with the International Public Sector Accounting Standards by 2010

	Performance measures (Percentage of financial rules and regulations which are compliant with the International Public Sector Accounting Standards) 2004-2005: 50 per cent Estimate 2006-2007: 50 per cent Target 2008-2009: 100 per cent
(e) Maintenance of geographical representation and gender balance of staff	(e) (i) Maintenance of the percentage of staff recruited from unrepresented and underrepresented Member States in the Office *Performance measures* 2004-2005: 40 per cent Estimate 2006-2007: 20 per cent Target 2008-2009: 20 per cent (ii) Maintenance of percentage of women at the Professional level and above for appointments of one year or more *Performance measures* 2004-2005: 52.1 per cent Estimate 2006-2007: 50.0 per cent Target 2008-2009: 50.0 per cent

External factors

28B.18 This component is expected to achieve its objective and expected accomplishments on the assumption that all stakeholders fully comply with the Financial Regulations and Rules of the United Nations and the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation and relevant legislative mandates.

Outputs

28B.19 During the biennium 2008-2009, the following outputs will be delivered:

(a) Servicing of intergovernmental/expert bodies (regular budget and extrabudgetary): approximately 25 meetings of the Advisory Committee on Administrative and Budgetary Questions; approximately 12 meetings of the Committee for Programme and Coordination; and approximately 35 formal and informal meetings of the Fifth Committee of the General Assembly;

(b) Other substantive activities (regular budget and extrabudgetary): representation at and convening of meetings with financial officials of the Secretariat, offices away from

Headquarters and United Nations funds and programmes on issues of common concern (approximately 8 meetings);

(c) Advisory services (regular budget and extrabudgetary):

(i) Advice on voluntary contribution financial agreements entered into between the United Nations and governments, non-governmental organizations, private contributors, etc. (150);

(ii) Assistance to clients on application of the Financial Regulations and Rules, procedures and policies (80);

(d) Administrative support and finance services (regular budget and extrabudgetary): review and authorization of delegations of authority as they relate to financial matters (40); training workshops on financial issues for Chief Administrative Officers and Chief Finance Officers (4); training workshops for finance personnel on the International Public Sector Accounting Standards (25);

(e) Revision of the Financial Regulations and Rules of the United Nations to incorporate modifications as required by the adoption of the International Public Sector Accounting Standards by 2010.

Table 28B.5 **Resource requirements**

	Resources (thousands of United States dollars)		*Posts*	
Category	*2006-2007*	*2008-2009 (before recosting)*	*2006-2007*	*2008-2009*
Regular budget				
Post	1 486.9	2 700.5	8	10
Non-post	1 259.0	4 684.5	—	—
Subtotal	**2 745.9**	**7 385.0**	**8**	**10**
Extrabudgetary	1 765.4	2 612.7	4	5
Total	**4 511.3**	**9 997.7**	**12**	**15**

28B.20 Resources amounting to $7,385,000 would provide for (a) salaries and common staff costs ($2,700,500) for the continuation of eight posts, the delayed impact of four posts established in the International Public Sector Accounting Standards Implementation Unit, the establishment of one new D-2 and one new P-4 post for the proposed re-establishment of the Office of the Deputy Controller; and (b) non-post requirements ($4,684,500), including general temporary assistance required during periods of peak workload, overtime, consultants, travel of staff, contractual services, general operating expenses, office supplies and office automation equipment in the Office of the Assistant Secretary-General, Controller. The net increase of $3,425,500 in non-post resources relates to increased requirements for consultancies with specialized expertise to formulate the course programme and to facilitate training workshops on financial issues for Chief Administrative Officers and Chief Finance Officers, as well as for the validation of policies, the provision of expert advice, implementation of project work related to fixed assets and assistance with the preparation of International Public Sector Accounting Standards documentation, travel of staff related to the functions of the Office of the Controller and to the implementation of the International Public Sector Accounting Standards, contractual services to train finance personnel on the International Public Sector Accounting Standards, for communications, maintenance of

office equipment and rental and maintenance of premises for the Office of the Deputy Controller, offset by the outward redeployment of resources to the newly established Financial Information Operations Service to consolidate the Office's financial information facilities.

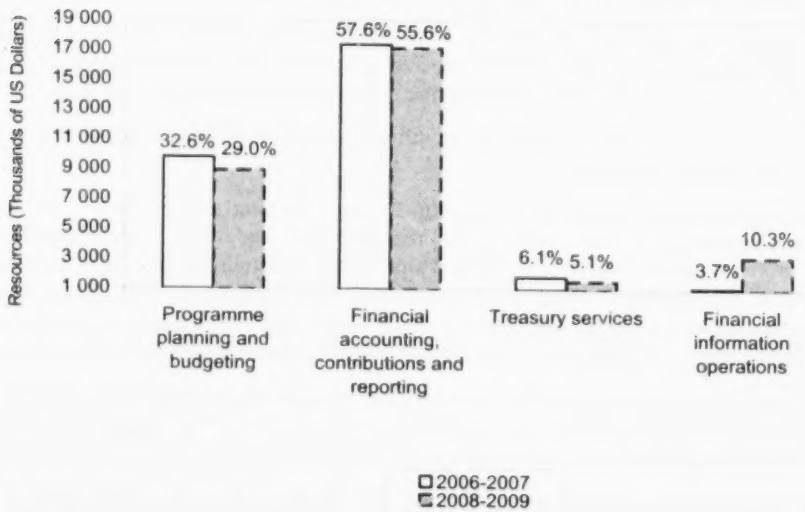
B. Programme of work[1]

Table 28B.6 **Resource requirements by component**

Component	Resources (thousands of United States dollars) 2006-2007	Resources (thousands of United States dollars) 2008-2009 (before recosting)	Posts 2006-2007	Posts 2008-2009
1. Programme planning and budgeting	9 828.5	8 963.1	35	33
2. Financial services relating to peacekeeping operations[a]	—	—	—	—
3. Financial accounting, contributions and reporting	17 390.2	17 175.3	83	83
4. Treasury services	1 845.7	1 577.7	6	5
5. Financial information operations	1 107.2	3 190.6	4	11
Subtotal	**30 171.6**	**30 906.7**	**128**	**132**
Extrabudgetary	45 463.5	49 453.1	152	172
Total	**75 635.1**	**80 359.8**	**280**	**304**

[a] Resource requirements financed exclusively by the support account for peacekeeping operations.

Regular budget resource requirements by component



[1] Subprogramme 2 of programme 24 of the biennial programme plan and priorities for the period 2008-2009.

1. Programme planning and budgeting

Resource requirements (before recosting): $8,963,100

28B.21 Responsibility for programme planning and budgeting rests with the Programme Planning and Budget Division. During the biennium 2008-2009, the Division will continue to perform the following core functions: (a) developing and implementing policies, procedures and methodology and providing guidance, consistent with the Financial Regulations and Rules of the United Nations and the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, and General Assembly resolutions on matters relating to the programme budget and extrabudgetary resources; (b) enhancing the integrated process of planning, programming and budgeting in all sectors of the programme budget of the Organization; (c) preparing and presenting to the legislative bodies the Secretary-General's budget outline, biennial programme budgets and budgets of the International Tribunals, the United Nations capital master plan budget, the biennial programme plan and revisions thereto, budget performance reports and other reports on budgetary matters, including statements of programme budget implications of new activities, as well as revised or supplementary programme budget proposals; (d) establishing and maintaining control reporting systems and procedures relating to the implementation of programme budgets, biennial programme plans and extrabudgetary funds to ensure economical and proper use of resources; and (e) providing substantive services on programme and budgetary issues to the Fifth Committee and other main committees of the General Assembly, the Economic and Social Council and its subsidiary bodies, the Advisory Committee on Administrative and Budgetary Questions and the Committee for Programme and Coordination.

28B.22 The Division will also focus on:

(a) Continuing the facilitation of deliberations and decision-making on planning and budgetary issues by the General Assembly and its relevant subsidiary organs, through the provision of substantive services on programme and budgetary issues;

(b) Improving services to clients, both within and outside the Secretariat, by leveraging technology to simplify administrative processes and through continued emphasis on the development of the staff's substantive, technical and managerial skills;

(c) Continuing the monitoring of compliance by offices in receipt of specific delegations of authority in budgetary matters;

(d) Keeping under review and ensuring, through training and guidance, the successful and full implementation and evolution of results-based budgeting and results-based management through collaboration and partnerships with departmental partners, including offices away from Headquarters where similar expertise lies in this area, and in that connection, through strengthened cooperation with the Department of Economic and Social Affairs as regards the operation of the Integrated Monitoring and Documentation Information System;

(e) Carrying out periodic self-evaluation and strengthening cooperation with other departmental partners on monitoring and evaluation issues in order to enhance the integrated process of planning, budgeting, monitoring and evaluation;

(f) Improving the current procedures for the administration of extrabudgetary funds, including further improving the timeliness of responses to client departments and offices.

Table 28B.7 **Objectives for the biennium, expected accomplishments and indicators of achievement**

Objective of the Organization: To secure the resources required for the financing of the mandated programmes and activities of the Secretariat and to improve management of the utilization of those resources.

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Improved reporting to Member States on issues relating to the programme budget and budgets of the criminal tribunals	(a) (i) Increased percentage of reports and supplementary information submitted by the documentation deadlines *Performance measures* **Budgetary documents** 2004-2005: not available Estimate 2006-2007: 71 per cent Target 2008-2009: 100 per cent **Supplementary information** 2004-2005: 100 per cent Estimate 2006-2007: 100 per cent Target 2008-2009: 100 per cent (ii) Increased number of Member States in the Fifth Committee expressing satisfaction with the clarity, quality and completeness of budgetary documents and of supplementary information provided *Performance measures* **Budgetary documents** 2004-2005: not available Estimate 2006-2007: 16 of 16 respondents, or 100 per cent Target 2008-2009: 100 per cent of a greater number of respondents **Written supplementary information** 2004-2005: not available Estimate 2006-2007: 16 of 16 respondents, or 100 per cent Target 2008-2009: 100 per cent of a greater number of respondents

	Supplementary information provided during deliberations 2004-2005: not available Estimate 2006-2007: 13 of 16 respondents, or 81.2 per cent Target 2008-2009: 100 per cent of a greater number of respondents
(b) Improved monitoring and control of the programme budget, budgets of the criminal tribunals, and extrabudgetary resources	(b) (i) Reduced unliquidated obligations as a percentage of final appropriation *Performance measures* 2004-2005: 4.4 per cent Estimate 2006-2007: 3.0 per cent Target 2008-2009: 2.0 per cent (ii) Reduced percentage variance between extrabudgetary allotments and expenditures *Performance measures* (Balance as a percentage of allotments issued) 2004-2005: 11.7 per cent Estimate 2006-2007: 8.0 per cent Target 2008-2009: 5.0 per cent
(c) Improved client services	(c) (i) Reduction in the turnaround time for the issuance of extrabudgetary allotments *Performance measures* 2004-2005: 5 days Estimate 2006-2007: 4 days Target 2008-2009: 3 days (ii) Increased percentage of respondents to client surveys who rate the guidance provided by the Programme Planning and Budget Division on budgetary procedures and processes as at least "good" or "very good"

Performance measures

2004-2005: 88 per cent

Estimate 2006-2007: 88.9 per cent

Target 2008-2009: 90 per cent

(iii) Increased percentage of respondents to client surveys who rate the ease of access to budgetary information as at least "good" or "very good"

Performance measures

2004-2005: not available

Estimate 2006-2007: 61.3 per cent

Target 2008-2009: 80 per cent

External factors

28B.23 This component is expected to achieve its objectives and expected accomplishments on the assumption that all stakeholders: (a) fully comply with the Financial Regulations and Rules of the United Nations and the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation and relevant legislative mandates; and (b) provide required information on a timely basis.

Outputs

28B.24 During the biennium 2008-2009, the following outputs will be delivered:

(a) Servicing of intergovernmental/expert bodies (regular budget and extrabudgetary):

(i) Substantive servicing of meetings: approximately 40 formal meetings and 100 informal consultations of the Fifth Committee; approximately 30 formal meetings and 40 informal consultations of the Committee for Programme and Coordination; approximately 20 meetings of the Economic and Social Council; and approximately 150 meetings of the Advisory Committee on Administrative and Budgetary Questions;

(ii) Parliamentary documentation: approximately 150 reports, including the proposed programme budget outline for the biennium 2010-2011; the proposed programme budget for the biennium 2010-2011 (48 documents in fascicle form); budget performance reports for the biennium 2008-2009 (2); the proposed strategic framework for the period 2010-2011 (28 documents in fascicle form); annual budgets and budget performance reports of the International Tribunals (6); reports to the Fifth Committee (30); statements of programme budget implications/revised estimates (45); and conference room papers and additional information for legislative and advisory bodies as required;

(b) Other services provided (regular budget):

(i) Assistance to the Fifth Committee and the Committee for Programme and Coordination in the preparation of their reports to the General Assembly (approximately 30 reports);

(ii) Workshops and briefings on results-based budgeting, including briefings for departments that provide public information, for students and for Member States (20);

(c) Administrative support and finance services (regular budget and extrabudgetary):

(i) Review of budgetary issues in draft resolutions before legislative bodies and their subsidiary bodies for actions for potential financial implications in accordance with rule 153 and unit rule 31 of the rules of procedure of the General Assembly and of the Economic and Social Council and its functional commissions, respectively (800);

(ii) Authorizations, guidelines, advice and instructions: allotment advices and staffing table authorizations (2,400); requests to incur unforeseen and extraordinary expenses (45); review and analysis of annual cost plans and other proposals relating to extrabudgetary financing (1,100); monitoring of expenditures; and responses to queries of Member States on trust funds as and when requested;

(iii) Monitoring of actual staff costs and inflation trends and creation of standard salary costs and establishment of budget costing parameters; and maintenance of vacancy statistics and certifying officers' panels;

(iv) Determination of average monthly troop strengths, establishment of amounts reimbursable and initiation of payments with regard to troop cost reimbursements to governments;

(v) Provision of advice and guidance on budgetary and financial issues to the United Nations Assistance to the Khmer Rouge trials.

Table 28B.8 **Resource requirements: programme planning and budgeting**

	Resources (thousands of United States dollars)		*Posts*	
Category	*2006-2007*	*2008-2009 (before recosting)*	*2006-2007*	*2008-2009*
Regular budget				
Post	9 195.4	8 704.2	35	33
Non-post	633.1	258.9	—	—
Subtotal	**9 828.5**	**8 963.1**	**35**	**33**
Extrabudgetary	3 474.6	3 209.1	12	11
Total	**13 303.1**	**12 172.2**	**47**	**44**

28B.25 Resources amounting to $8,963,100 would provide for (a) salaries and common staff costs ($8,704,200) for the continuation of 33 posts, and (b) non-post requirements ($258,900), including general temporary assistance and overtime, consultants, travel of staff, contractual services, general operating expenses, supplies and materials, and furniture and equipment. The reduction of $491,200 in post resources is the net effect of increased requirements for the establishment of one P-5 post to accommodate the increased volume and complexity of the workload of the Division as a whole and, in particular, the workload of the Service associated with special political missions and, as the Deputy to the Chief of that Service, assist the Chief in improving the efficiency, effectiveness and evaluation/monitoring of current operations/business processes, and the delayed impact of a P-4 post established in 2006-2007, offset by the redeployment of the Systems Control Unit and its complement of three regular budget posts to the Financial Information Operations Service to consolidate the information and communication technology/financial systems and

related functions of the Office of Programme Planning, Budget and Accounts. The net decrease of $374,200 in non-post requirements is the result of increased requirements for consultants with specialized expertise to facilitate and formulate the course programme and facilitation of the training of staff and client departments, including special political missions, on budget formulation and results-based budgeting and management, for travel of staff to coordinate and provide guidance on budgetary policy, to service the Economic and Social Council in Geneva and to familiarize programme budget officers with their client offices and their programmes as part of their training, offset by the combined effect of reduced requirements for contractual services related to systems design and development that are no longer required and the redeployment of resources to financial information operations to consolidate the financial information systems and facilities of the Office.

2. Financial services relating to peacekeeping operations

Resource requirements: financed exclusively by the support account for peacekeeping operations

28B.26 The Peacekeeping Financing Division is responsible for financial services relating to peacekeeping operations. During the biennium 2008-2009, the Division will continue to: (a) establish policies, procedures and methodology for the estimation of resource requirements and provide policy guidance consistent with the Financial Regulations and Rules of the United Nations on matters relating to the financing of peacekeeping operations; (b) prepare and present to legislative bodies the Secretary-General's annual budgets and performance reports, liquidation budgets and reports on the disposition of assets, annual reports on the support account for peacekeeping operations and other reports concerning administrative and budgetary aspects of the financing of peacekeeping operations; (c) prepare statements for the Security Council and other reports on activities authorized by Security Council resolutions; (d) monitor the financial status of peacekeeping trust funds and liaise with donor Governments on the disposition of residual balances; (e) monitor the cash-flow status of the special account for each peacekeeping operation; (f) authorize payment to Governments for settlement of certified death and disability, contingent-owned equipment and letters-of-assist claims; (g) determine average monthly troop strengths, establish amounts reimbursable and initiate payments with regard to troop cost reimbursements to Governments; and (h) provide substantive services for the relevant legislative and advisory bodies of the United Nations.

28B.27 The Division will focus on improving the presentation of budgets and performance reports and strengthening the results-based frameworks, as well as making resource requirements and expenditure information more transparent. The Division will also focus on training mission personnel on the funds monitoring tool, which will lead to improved budget implementation rates. Troop liabilities will be reviewed on a quarterly basis and paid on the basis of each mission's cash position. Advice on budgetary policies, methodologies and tools as well as training and guidance will be provided to all peacekeeping missions.

28B.28 As part of an overall strategy to consolidate the resources that provide liaison services between the functional users and the technical developers, three General Service (Other level) posts related to information technology, funded under the Support Account, will be moved from the Division to the Financial Information Operations Service.

Table 28B.9 **Objectives for the biennium, expected accomplishments and indicators of achievement**

Objective of the Organization: To secure the resources for the financing of peacekeeping operations and to ensure efficient and effective peacekeeping.

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Improved reporting to the Advisory Committee on Administrative and Budgetary Questions, Member States and police and troop-contributing countries on issues relating to peacekeeping	(a) (i) Increased positive feedback from the Advisory Committee on Administrative and Budgetary Questions, the General Assembly and police and troop-contributing countries on the format and presentation of peacekeeping budgets, performance reports and other related reports submitted *Performance measures* 2004-2005: 70 per cent Estimate 2006-2007: 85 per cent Target 2008-2009: 85 per cent (ii) Increased percentage of budget and performance reports submitted by the documentation deadlines *Performance measures* 2004-2005: 75 per cent Estimate 2006-2007: 85 per cent Target 2008-2009: 100 per cent
(b) Increased efficiency and effectiveness of peacekeeping operations	(b) (i) Liabilities for troops do not exceed three months *Performance measures* (Duration of liability) 2004-2005: 3 months Estimate 2006-2007: 3 months Target 2008-2009: 3 months (ii) Increased positive feedback from peacekeeping missions on the quality of guidance and services rendered

Performance measures

2004-2005: 85 per cent

Estimate 2006-2007: 90 per cent

Target 2008-2009: 95 per cent

External factors

28B.29 This component is expected to achieve its objective and expected accomplishments on the assumption that: (a) the timing and nature of mandates approved by the Security Council that frame the establishment, extension, expansion and scope and scale of activities of individual peacekeeping operations, and consequently their related resource requirements, follow normal patterns; and (b) all stakeholders fully comply with the Financial Regulations and Rules of the United Nations and the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, and relevant legislative mandates.

Outputs

28B.30 During the biennium 2008-2009, the following outputs will be delivered:

(a) Servicing of intergovernmental/expert bodies (extrabudgetary):

(i) Substantive servicing of meetings: approximately 30 formal meetings and 60 informal consultations of the Fifth Committee and approximately 100 meetings of the Advisory Committee on Administrative and Budgetary Questions;

(ii) Parliamentary documentation: submission of approximately 100 reports on budget estimates and budget performance reports to the General Assembly on the financing of active missions, status of the financial position of closed missions and final budget performance reports on missions in liquidation, as well as reports on administrative and budgetary aspects of the financing of the United Nations peacekeeping operations, and submission of approximately 30 written presentations to the Advisory Committee on Administrative and Budgetary Questions on specific peacekeeping financing issues;

(b) Administrative support and finance services (extrabudgetary):

(i) Budgetary control: issuance and revision of allotments and staffing table authorizations (70);

(ii) Monitoring of financial status: managed cash position for special accounts of peacekeeping operations and utilization of the peacekeeping reserve fund (24);

(iii) Payment to governments: payment letters to troop-contributing countries for reimbursement of troop costs (100);

(iv) Liaison with governments: discussions with representatives of Member States, including troop-contributing countries, on financial matters in respect of peacekeeping operations and liabilities of missions;

(v) Training for approximately 215 mission personnel on the upgraded funds monitoring tool.

Table 28B.10 **Resource requirements: financial services relating to peacekeeping matters**

	Resources (thousands of United States dollars)		*Posts*	
Category	*2006-2007*	*2008-2009 (before recosting)*	*2006-2007*	*2008-2009*
Extrabudgetary	13 618.0	14 656.0	34	33

28B.31 The resource requirements of the Division are financed exclusively from the peacekeeping support account and, for the biennium 2008-2009, reflect proposals for two new posts (1 P-4 and 1 P-3) to be considered by the General Assembly at its resumed sixty-first session, in May 2007, offset by the redeployment of three General Service (Other level) posts to the Financial Information Operations Service.

3. Financial accounting, contributions and reporting

Resource requirements (before recosting): $17,175,300

A. Financial accounting and reporting

28B.32 Responsibility for financial accounting and reporting is entrusted to the Accounts Division. During the biennium 2008-2009, the Division will continue to perform the following core functions: ensuring proper application of the Financial Regulations and Rules of the United Nations and established procedures relating to accounting matters; recording and maintaining all accounts of the United Nations; recording income and expenditure, reconciling bank accounts and monitoring the expenditures and the financial assets of the Organization; preparing financial statements, including the biennial financial report and the annual peacekeeping financial report; preparing cash-flow reports for regular budget and peacekeeping operations and preparing other special financial reports as required; processing the payment of salaries and related allowances, other benefits and entitlements to United Nations staff; processing payments to vendors and other contractors and effecting other payments in respect of the financial obligations of the Organization; coordinating, establishing and administering the group health and life insurance programme and property and liability insurance activities of the Organization; providing secretariat services to the Advisory Board on Compensation Claims and the United Nations Claims Board and administering related compensation payments under the relevant rules; and performing approving officer functions for Headquarters transactions as delegated by the Controller.

28B.33 In performing the above functions, emphasis will be placed on leveraging technology to improve the processing of financial transactions, client services and the quality and availability of timely and accurate financial information. Efforts to simplify administrative processes will continue. The Accounts Division will participate actively in the selection, configuration and deployment of an enterprise resource planning system. It will also carry out activities to ensure readiness to implement external accounting standards (International Public Sector Accounting Standards) by 2010.

28B.34 The Accounts Division currently comprises the Office of the Director, six Sections/Units (Financial Reporting, Payroll and Disbursement, Central Accounts, Peacekeeping Accounts, Trust Fund and Technical Cooperation Accounts, and Systems Support) and the secretariat of the Advisory Board on Compensation Claims and the United Nations Claims Board. In line with the review explained in paragraphs 28B.5 and 28B.6 above, the Accounts Division will merge the Treasury "back-office" operations under the Financial Reporting Unit. The functions and resources

of the Contributions Service, including Member State liaison with respect to contributions, the support provided to the Committee on Contributions, statement issuance, payment and receipt processing and reporting, are transferred to the Accounts Division to achieve operational synergy and improve the alignment of business processes with existing receivable functions. The Contributions Service will form a standalone unit reporting directly to the Director of the Accounts Division. Similar to the Programme Planning and Budget and Peacekeeping Financing Divisions, the Systems Support Unit of the Accounts Division and the related information technology support resources will also be transferred to the newly established Financial Information Operations Service.

Table 28B.11 **Objectives for the biennium, expected accomplishments and indicators of achievement**

Objective of the Organization: To further improve the quality of financial statements and client satisfaction with services provided.

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Improved integrity of financial data	(a) (i) A positive audit opinion of the Board of Auditors on financial statements *Performance measures* (A positive, modified or qualified audit opinion is indicated by the numeric values of: 1, 2 and 3, respectively) 2004-2005: 1 Estimate 2006-2007: 1 Target 2008-2009: 1 (ii) The absence of significant adverse audit findings related to other financial matters *Performance measures* 2004-2005: 2 recommendations Estimate 2006-2007: 2 recommendations Target 2008-2009: 2 recommendations
(b) Timely and accurate financial transactions	(b) (i) Increased percentage of payments that are processed and transactions recorded within 30 days of receipt of all appropriate documents

		Performance measures (Percentage of staff separations, education grant payments, vendor claims and travel claims that are processed within 30 days of receipt of all appropriate documents (each component is weighted equally)) 2004-2005: 86 per cent Estimate 2006-2007: 90 per cent Target 2008-2009: 92 per cent (ii) The reconciliation of bank accounts within 30 days after month's end *Performance measures* (Percentage of bank accounts) 2004-2005: 77 per cent Estimate 2006-2007: 84 per cent Target 2008-2009: 90 per cent
(c) Improved client services	(c)	(i) Increased percentage of clients surveyed who rate services as at least "good" or "very good" 2004-2005: 60 per cent Estimate 2006-2007: 70 per cent Target 2008-2009: 75 per cent (ii) Number of improvements or beneficial adjustments made to terms of insurance policies *Performance measures* 2004-2005: 2 improvements Estimate 2006-2007: 2 additional improvements Target 2008-2009: 2 additional improvements

External factors

28B.35 This component is expected to achieve its objectives and expected accomplishments on the assumption that the relevant information is complete and is submitted for processing without delay and that there are no major outages or malfunctions in the computerized systems, including IMIS.

Outputs

28B.36 During the biennium 2008-2009, the following outputs will be delivered:

(a) Servicing of intergovernmental and expert bodies (regular budget and extrabudgetary): parliamentary documentation: annual and biennial financial reports of the Secretary-General to the General Assembly (3);

(b) Other substantive activities (regular budget and extrabudgetary): technical material: approximately 1,500 financial statements for the regular budget, peacekeeping operations, trust funds, technical cooperation activities, revenue-producing activities, operations established by the Security Council and other special purpose funds;

(c) Administrative support and finance services (regular budget and extrabudgetary):

(i) Financial accounts: review and processing of all receipts, payments, obligations and inter-office vouchers; analysis and reconciliation of accounts, including all receivables, payables, inter-office and bank accounts; review and consolidation of all accounts from field offices; provision of advice on accounting and financial matters and related systems to various offices, including offices away from Headquarters and peacekeeping missions; and development of new cost-effective accounting policies, practices and procedures, as appropriate;

(ii) Payments and disbursements: payment of salaries and related allowances and other benefits; processing of income tax reimbursements; payments to staff upon separation from the Organization; processing of payments to vendors and other contractors; processing of travel claims; and preparation of reports and statements of earnings, including annual United Nations Joint Staff Pension Fund reports and schedules;

(iii) Management and coordination of all life, health, property and liability insurance activities; study of alternative insurance plan structures, as needed, in the light of developments in worldwide insurance markets;

(iv) Provision of secretariat services to the Claims Board and the Advisory Board on Compensation Claims.

B. Assessment and processing of contributions

28B.37 Responsibility for the assessment and processing of contributions rests with the Contributions Service of the Financial Accounting and Contribution Division, which facilitates the work of the Fifth Committee, the Committee on Contributions and other bodies on questions related to the scale of assessments, contributions to the regular budget and budgets of peacekeeping operations and other contributions issues, including the application of Article 19 of the Charter of the United Nations and the financial situation of the United Nations, through the preparation of documentation and the provision of technical and substantive support in cooperation with the Statistics Division of the Department of Economic and Social Affairs. The Service will provide effective support to the Committee on Contributions and the General Assembly in reaching agreement on the scale of assessments for the period 2010-2012 and on the basis of financing peacekeeping activities for that period and will ensure the timely issuance of assessments and information on the status of assessed contributions. The Contributions Service also provides support to pledging conferences for development activities. It strives to improve the timeliness and accuracy of the processing of assessed and voluntary contributions and of information on the status of contributions, a key component of the Organization's cash flow.

28B.38 The Contributions Service prepares the billing for all Member State assessments, peacekeeping assessments and other billings. The group is also responsible for financial reporting on the status of contributions. A great deal of work overlaps with the Accounts Division, which also has an Accounts Receivable Unit that is responsible for similar functions. Currently, the two entities are using separate systems to track outstanding receivables which are labour intensive to reconcile. To address operational deficiencies, it was decided to merge the entire Contributions Service with the Accounts Division.

Table 28B.12 **Objectives for the biennium, expected accomplishments and indicators of achievement**

Objective of the Organization: To secure financing for the expenses of the Organization pursuant to Article 17 of the Charter of the United Nations and to improve the application of related decisions.

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Timely submission of documentation required for informed decision-making by Member States on issues related to the scale of assessments, the basis for financing peacekeeping activities and the status of contributions	(a) (i) Maintenance of the percentage of monthly reports on the status of contributions by the end of the following month *Performance measures* 2004-2005: 100 per cent Estimate 2006-2007: 100 per cent Target 2008-2009: 100 per cent (ii) Maintenance of or increase in the percentage of pre-session documentation relating to the scale of assessments and the basis of financing of peacekeeping operations submitted by the documentation deadlines *Performance measures* 2004-2005: 63 per cent Estimate 2006-2007: 75 per cent Target 2008-2009: 80 per cent
(b) Timely assessments on Member States based on decisions of the General Assembly	(b) Maintenance of or increased percentage of notifications of assessments within 30 days of the relevant decisions of intergovernmental bodies, as specified in financial rule 103.1

Performance measures

2004-2005: 95 per cent

Estimate 2006-2007: 100 per cent

Target 2008-2009: 100 per cent

External factors

28B.39 The Contributions Service is expected to achieve its objectives and expected accomplishments on the assumption that the timing and nature of requests from and decisions by the General Assembly and the Committee on Contributions follow normal patterns.

Outputs

28B.40 During the biennium 2008-2009, the following outputs will be delivered:

(a) Servicing of intergovernmental and expert bodies (regular budget):

(i) Substantive servicing of meetings: approximately 10 formal meetings and 25 informal consultations of the Fifth Committee and approximately 50 formal meetings and 8 informal consultations of the Committee on Contributions;

(ii) Parliamentary documentation: approximately 3 reports to the Fifth Committee and 30 reports to the Committee on Contributions; approximately 110 conference room papers for the Fifth Committee and the Committee on Contributions; ad hoc reports on scale of assessments, financing of peacekeeping operations, application of Article 19 of the Charter, measures to encourage payment of assessed contributions and related issues on request; and reports on the financial situation of the United Nations (4);

(b) Other substantive activities (regular budget and extrabudgetary):

(i) Provision of information for the preparation of annual pledging conferences for development activities and assistance in recording and tabulating the results, including necessary follow-up;

(ii) Technical material (recurrent): monthly reports on the status of contributions (24);

(iii) Technical material (non-recurrent): assessment documents, including those for the Working Capital Fund, regular budget, peacekeeping operations and International Tribunals (24);

(iv) Other material: ad hoc information about the scale of assessments, peacekeeping financing, the status of contributions and related issues, on request, to Member States, organizations of the United Nations system, other international organizations, non-governmental organizations and the public (2);

(c) Administrative support and finance services (regular budget and extrabudgetary): issuance of assessments for the Working Capital Fund, the regular budget, peacekeeping operations, the International Tribunals and extrabudgetary/treaty activities (approximately 140 assessments during the biennium); and provision of information for and responses to the Board of Auditors on issues related to contributions (annually).

Table 28B.13 **Resource requirements: financial accounting, contributions and reporting**

	Resources (thousands of United States dollars)		*Posts*	
Category	*2006-2007*	*2008-2009 (before recosting)*	*2006-2007*	*2008-2009*
Regular budget				
Post	16 344.9	16 322.0	83	83
Non-post	1 045.3	853.3	—	—
Subtotal	**17 390.2**	**17 175.3**	**83**	**83**
Extrabudgetary	22 450.1	22 560.6	90	100
Total	**39 840.3**	**39 735.9**	**173**	**183**

28B.41 Resources amounting to $17,175,300 would provide for (a) salaries and common staff costs ($16,322,000) for the continuation of 83 posts, and (b) non-post requirements, including other staff costs, travel of staff, contractual services, general operating expenses, supplies and materials, and furniture and equipment. The reduction of $22,900 in posts is the net result of the increased requirements for the establishment of one P-4 and one General Service (Other level) post and for the reclassification of one General Service (Other level) post to the Principal level offset by the redeployment of two posts (1 General Service (Principal level) and 1 General Service (Other level)) to the Financial Information Operations Service. The reduction of $192,000 in non-post resources is the net result of increased requirements for travel of staff and supplies and materials offset largely by the redeployment of resources for the costs of centrally provided data-processing services and infrastructure support, including storage area networks, application servers, departmental servers, backup units and desktop connectivity to the Financial Information Operations Service to be established in line with the efforts to consolidate the information and communications technology/financial operations of the Office of Programme Planning, Budget and Accounts.

4. Treasury services

Resource requirements (before recosting): $1,577,700

28B.42 The Treasury ensures the timely receipt and safe custody of cash and works to improve payment systems in order to streamline processing, reduce costs and enhance security. It also maintains control mechanisms that protect payment systems and assets and ensures that cash concentration benefits are achieved. During the biennium 2008-2009, the focus will be on enhancing the reliability of internal controls, further developing the systems for investment and cash management and increasing the proportion of payments effected through electronic and other secure means.

28B.43 To improve the internal controls and to consolidate similar functions, the Treasury operations group, or "back office", has been moved to the Accounts Division (see para. 28B.34). The functions performed by the group include settlement of the investment and foreign exchange transactions created by the investment officers, or "front office", accounting for the trades and providing regular financial reporting. Audit reports and the external reviews also raised concerns about inadequate segregation of duties between the front-office and back-office functions.

Table 28B.14 **Objectives for the biennium, expected accomplishments and indicators of achievement**

Objective of the Organization: To ensure the prudent investment of funds and to improve cash-management actions.

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Continued prudent stewardship of funds	(a) (i) The return on the United States dollar investment pool is equal to or above the 90-day United States Treasury bill rate of return *Performance measures* 2004-2005: 2.36 per cent Estimate 2006-2007: 4.07 per cent Target 2008-2009: 4.25 per cent (ii) The return on the euro investment pool is equal to or above the Euro OverNight Index Average (EONIA) rate of return *Performance measures* 2004-2005: not available Estimate 2006-2007: 3.29 per cent Target 2008-2009: 3.75 per cent
(b) Improved efficiency and security of the payment system	(b) (i) Maintenance of a loss-free record in safeguarding financial resources *Performance measures* (Cash loss incidents) 2004-2005: zero Estimate 2006-2007: zero Target 2008-2009: zero (ii) Increased percentage of automatic disbursements through the Society for Worldwide Interbank Financial Telecommunications (SWIFT)

Performance measures

2004-2005: 93 per cent

Estimate 2006-2007: 94 per cent

Target 2008-2009: 95 per cent

(iii) Reduced number of bank accounts

Performance measures

2004-2005: 445

Estimate 2006-2007: 440

Target 2008-2009: 430

External factors

28B.44 The Treasury is expected to achieve its objectives and expected accomplishments based on current levels of interest rates. Economic conditions beyond the control of the Treasury could lead to adverse change in interest rates, consequently reducing the actual return on investments.

Outputs

28B.45 During the biennium 2008-2009, the following outputs will be delivered: administrative support and finance services (regular budget and extrabudgetary): bank accounts worldwide administered; cash balances reconciled daily and multicurrency investment accounting properly booked and transmitted to the Accounts Division; cash management and cashier functions assessed and all missions advised on Treasury policies and procedures to safeguard financial resources; cash position and forecast computed as requested; foreign exchange system implemented; multicurrency liquidity maintained to meet peacekeeping missions' cash requirements; secure and loss-free management of the investment funds pool for the United Nations regular budget, peacekeeping operations, general trust funds, technical cooperation funds, the escrow account, the United Nations Environment Programme fund and others for liquidity and maximizing the rate of return; United Nations bank accounts pooled to reduce bank costs and maximize interest returns; and worldwide cross-border payments processed in a timely manner as requested, including the salaries of peacekeeping personnel.

Table 28B.15 **Resource requirements: treasury services**

	Resources (thousands of United States dollars)		*Posts*	
Category	*2006-2007*	*2008-2009 (before recosting)*	*2006-2007*	*2008-2009*
Regular budget				
Post	1 558.7	1 468.6	6	5
Non-post	287.0	109.1	—	—
Subtotal	**1 845.7**	**1 577.7**	**6**	**5**
Extrabudgetary	4 206.3	4 584.8	12	13
Total	**6 052.0**	**6 162.5**	**18**	**18**

28B.46 Resources amounting to $1,577,700 would provide for (a) salaries and common staff costs ($1,468,600) for the continuation of five posts, and (b) non-post requirements ($109,100), including other staff costs, travel of staff, contractual services, general operating expenses, supplies and materials, and furniture and equipment. The reduction of $90,100 in resources for posts is the net result of increased requirements for the reclassification of the Cashier post from the P-4 to the P-5 level, offset by the outward redeployment of one General Service (Other level) post to the Accounts Division in connection with redeployment of the Treasury operations group or "back-office", to the Accounts Division to improve internal controls and to consolidate similar functions (see para. 28B.43). The reduction in non-post requirements is the net effect of the redeployment of the Treasury's share of the costs of centrally provided data-processing services and infrastructure support to the Financial Information Operations Service, where such resources relating to the information and communications technology/financial systems of the Office of Programme Planning, Budget and Accounts are to be centrally coordinated and managed.

5. Financial Information Operations Service

Resource requirements (before recosting): $3,190,600

28B.47 A new office, the Financial Information Operations Service, will be responsible for providing operational support to the Office of the Controller, the Office of the Deputy Controller and all of the divisions within the Office of Programme Planning, Budget and Accounts. The consolidation enables the improved operation of the functions through centralized management, cross-training and improved coordination of continuing education training, establishment of back-up resources to provide continuous operational support for mission critical systems, and the coherent vision and development of an information technology strategy of the Office that is consistent with the anticipated implementation of the International Public Sector Accounting Standards and enterprise resource planning. The Financial Information Operations Service will coordinate services, establish standard system platforms and tools; ensure that sufficient controls are implemented across all mission critical systems; review and compile current business requirements of the Office in order to streamline processes; actively participate in the selection and implementation of enterprise resource planning, and ensure that significant system developments are supportive of the implementation of the International Public Sector Accounting Standards and enterprise resource planning.

28B.48 The IMIS Support Unit provides help desk services for support in the day-to-day functioning of IMIS finance modules; services the needs of all users within the Office of Programme Planning, Budget and Accounts; supports offices away from Headquarters on IMIS finance-related matters; writes and updates relevant desk operating procedures; organizes training on IMIS financial functionalities for users; provides assistance in resolving IMIS programme and process problems; maintains NOVA portal; and assists the user community of the Office with extracting data from IMIS to prepare reports for management decision.

28B.49 The Systems Support Unit is responsible for providing system support for the maintenance of the general accounting system, the payroll system, after-service health insurance, Operations Processing Integrated Control System (OPICS), Society for Worldwide Interbank Financial Telecommunications (SWIFT), income tax reimbursement processing and support, and, together with the Office of Mission Support of the Department of Peacekeeping Operations, of the field accounting and payroll systems used in peacekeeping operations.

28B.50 The Systems Control Unit is responsible for providing operational support for the budget information system in the implementation of the biennial budgets of the regular budget and the tribunals; mediating with the Systems Support Unit and offices away from Headquarters on monitoring expenditures; and providing computerized tools to support the operation of the Programme Planning and Budget Division in budgetary, administrative and managerial areas.

Table 28B.16 **Objectives for the biennium, expected accomplishments and indicators of achievement**

Objective of the Organization: To improve the efficiency of business processes.

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Formulation of a coherent vision of the Office of Programme Planning, Budget and Accounts strategy consistent with the anticipated International Public Sector Accounting Standards and enterprise resource planning implementation	(a) (i) Percentage of the Office of Programme Planning, Budget and Accounts operational requirements incorporated seamlessly with the International Public Sector Accounting Standards and the enterprise resource planning system *Performance measures* 2004-2005: not available Estimate 2006-2007: not available Target: 2008-2009: 100 per cent (ii) Percentage of information on extrabudgetary resources integrated into the financial information system *Performance measures* 2004-2005: not available Estimate 2006-2007: to be determined Target: 2008-2009: 100 per cent

(b) Adequate backup support resources for all critical Office of Programme Planning, Budget and Accounts systems	(b) Percentage of service time when service is unavailable to users *Performance measures* 2004-2005: not available Estimate 2006-2007: to be determined Target 2008-2009: zero
(c) Improved quality of service provided to clients within the Office of Programme Planning, Budget and Accounts	(c) Increased percentage of respondents to client surveys who rate the service provided as at least "good" or "very good" *Performance measures* 2004-2005: not available Estimate 2006-2007: to be determined Target 2008-2009: 100 per cent
(d) Enhanced financial management reports	(d) Increased percentage of respondents to client surveys who rate the ease of access to financial information as at least "good" or "very good" *Performance measures* 2004-2005: not available Estimate 2006-2007: to be determined Target 2008-2009: 100 per cent

External factors

28B.51 The Financial Information Operations Service is expected to achieve its objectives and expected accomplishments on the assumption that the evolution of technology and developments in related industries are in line with the related projects and that stakeholders fulfil their responsibilities and obligations and extend their full cooperation in attaining the objectives of the Service.

Outputs

28B.52 During the biennium 2008-2009, the following outputs will be delivered: administrative support and finance services (regular budget and extrabudgetary):

(a) Maintenance, updating and operation of computerized budget information system and management of data structure, data input and system control;

(b) Systems support: maintenance of charts of accounts and other finance-related reference tables in IMIS; development of ad hoc applications; systems liaison with other Headquarters systems; administration of the tax reimbursement systems; and performance of local area network administration functions;

(c) Implementation of cash management system, including the IMIS/OPICS/SWIFT interface.

Table 28B.17 **Resource requirements: financial information operations**

	Resources (thousands of United States dollars)		*Posts*	
Category	*2006-2007*	*2008-2009 (before recosting)*	*2006-2007*	*2008-2009*
Regular budget				
Post	1 107.2	2 646.1	4	11
Non-post	—	544.5	—	—
Subtotal	**1 107.2**	**3 190.6**	**4**	**11**
Extrabudgetary	1 714.5	4 442.6	4	15
Total	**2 821.7**	**7 633.2**	**8**	**26**

28B.53 Resources amounting to $3,190,600 would provide for (a) salaries and common staff costs ($2,646,100) for the continuation of 11 posts, and (b) non-post requirements ($544,500), including contractual services related to data-processing services, proprietary software and contribution to support central data-processing services, general operating expenses related to data processing and office automation and contribution to support central data-processing infrastructure as well as furniture and equipment. The increase of $1,538,900 in resources for posts is the result of increased requirements for a new D-1 post proposed for the Financial Information Operations Service and the inward redeployment of six posts from other offices within the Office of Programme Planning, Budget and Accounts to consolidate information technology-related financial resources in the Service.

Table 28B.18 **Summary of follow-up action taken to implement relevant recommendations of the oversight bodies**

Brief description of the recommendation	*Action taken to implement the recommendation*
Report of the Board of Auditors (A/61/5, vol. I, chap. II)	
The Board recommends that the Administration apply the provisions of regulation 4.12 of the Financial Regulations and Rules of the United Nations by crediting the balance of the tax equalization accounts of a Member State against the assessed contributions due from that Member State in the following year (para. 47).	The Administration explained that the balance of $97.3 million in reserves and fund balances would be applied only upon the explicit direction of the Member State concerned, citing precedents in that regard. It also explained that the remaining balance of $11.97 million due to other Member States was a timing difference that represented credits that would be adjusted when assessments were issued in 2006.

Brief description of the recommendation	*Action taken to implement the recommendation*
	After further review, and following discussion with the Board of Auditors, the Administration has decided to show the surplus due to the United States of America at the end of the biennium as an account payable, and has requested the Member State to provide it with instructions regarding its application. The changes have been incorporated in the December 2006 financial statements.
The Board recommends that the Administration strengthen its review controls to ensure that, in the preparation of financial statements, the detailed general ledger account balances agree with the totals of the details of corresponding account balances (para. 54).	The programming error was fixed in June 2006.
The Administration agreed with the Board's recommendation that the Office of Programme Planning, Budget and Accounts, in consultation with the Information Technology Services Division, monitor closely the enhancements of the new computerized tax system (para. 64).	Enhancements of the new computerized tax system have continued to be delivered throughout the period. Further automation of processes has been completed and new reports and extracts made available to facilitate the management of tax reimbursement billing and accounting functions.
The Board recommends that the United Nations disclose the Central Emergency Response Fund as comprising both a loan and a grant facility, in compliance with General Assembly resolution 60/124 of 15 December 2005 (para. 68).	Following the issuance of ST/SGB/2006/10, both the loan and grant components of the Central Emergency Response Fund are reported as part of general trust funds in the 2006 financial statements.
The Administration agreed with the Board's recommendation that it strengthen its review on the grouping of accounts in the financial statements and consider revising the template provided to offices away from Headquarters on the presentation of accounts as regards refunds to donors (para. 72).	The production of general trust fund financial statements has been automated through NOVA. Therefore, the correct grouping of accounts is done automatically by the system. With respect to the technical cooperation statement, there was an error as noted in paragraph 71 due to the misapplication of correct procedures. This was discussed with the Economic Commission for Latin America and the Caribbean, the correct procedure was reiterated, and the template was also revised for use in the 2006 financial statements.
The Board recommends that the Administration continue to exert more efforts in regard to the submission by the traveller of the travel expense claim form in a timely manner and in trying to recover long-outstanding amounts from former staff members (para. 76).	Management agrees with the recommendation and has taken action to improve collection. The Accounts Division sends reports on outstanding travel advances twice a month to executive offices so that timely follow-up action is taken with respect to overdue advances. In addition, accounting procedures

Brief description of the recommendation	*Action taken to implement the recommendation*
	are in place for deduction of all outstanding amounts from final salaries of separating staff members. In the unusual case where the final salary amount is insufficient to effect full recovery, procedures require timely follow-up for collection of the remaining amount.
The Administration agreed with the Board's recommendation that it harmonize the IMIS application procedures and the provisions of administrative instruction ST/AI/2000/20 on the granting of travel advances and the submission of travel expense claims (para. 80).	The granting of travel advances as per ST/AI/2006/4 (which supersedes ST/AI/2000/20) was implemented in IMIS on 27 February 2007, and the IMIS procedure manual has been updated.
The Administration agreed with the Board's recommendation that it strengthen its controls in certifying and approving payments on travel advances pertaining to the daily subsistence allowance, and ensure that the functionality in IMIS include controls that reject two separate travel vouchers with the same payee and claim description (para. 85).	On 27 February 2007, IMIS changes were implemented to the travel advance user session to calculate the advance amount as per ST/AI/2006/4 based on the daily subsistence allowance and terminal expenses as established in the travel authorizations. In addition, certifying officers will receive warning messages when associated travel advances are not approved prior to certification of travel authorizations. Such validations will allow users to monitor the association of travel requests and travel advances. Furthermore, the travel claim automation project, once completed, will facilitate the monitoring and control of claim processing where a payment to a claimant could be rejected by flagging specific scenarios, such as more than one claim for the traveller for the same travel dates.
The Board recommends that the Administration develop a system to record the actual expenditure associated with servicing reimbursable meetings and conferences serviced by the Department for General Assembly and Conference Management (para. 92).	The Secretary-General submitted a report on cost-accounting principles to the General Assembly (A/61/826) for consideration at its sixty-first session.
The Administration agreed with the Board's recommendation that it continue to clear long-outstanding United Nations Headquarters and United Nations Development Programme-related accounts and transactions, in coordination with the offices concerned (para. 113).	The long-outstanding receivables noted by the Board of Auditors in paragraph 111 of its report has been cleared.

Brief description of the recommendation	*Action taken to implement the recommendation*
The Administration agreed with the Board's recommendation that the Office of Programme Planning, Budget and Accounts, in coordination with the Facilities Management Service, improve the recording and maintenance of property records to ensure fair valuation of non-expendable property in the notes to financial statements (para. 117).	The Office of Programme Planning, Budget and Accounts continues to work with the Office of Common Support Services on the implementation of this recommendation.
The Board reiterates its recommendation that the Administration expedite the closure of long inactive trust funds (para. 142).	Trust fund reform is ongoing. Each year new trust funds are created and inactive ones are closed. Progress has been made to rationalize the existing number of funds and to close them as necessary. Among the currently inactive trust funds, 7 are in the process of closure, 10 are to remain open, and 4 are being reviewed.
The Board recommends that the Administration perform a thorough review of transactions as at the date of closure of accounts following the end of financial period (para. 151).	The thorough review of transactions was completed in April 2006.
The United Nations Office at Vienna agreed with the Board's recommendation that it update the financial statements of trust funds to report significant voluntary in-kind contributions, in compliance with paragraph 35 of the United Nations System Accounting Standards (para. 173).	All offices have been requested to provide information on voluntary contributions in kind for disclosure in the financial statements. Information received is being reviewed, and appropriate disclosures will be made in the financial statements for the biennium 2006-2007.
The Board recommends that the Administration conduct a comprehensive analysis of system development requirements prior to the contracting process to avoid the unnecessary costs that contract amendments may entail (para. 236).	The revised 2006 Procurement Manual takes into account the analysis of requirements.
The Board recommends that the Administration complete all of the remaining automation initiatives, set definite timelines for their collective completion and use in production, and ensure that, in developing the attendant applications, control issues are addressed (para. 256).	Treasury is in the process of completing all possible automations. In addition, Treasury will ensure that the automation addresses all required controls.
The Board recommends that the Administration either hire backup staff or devise a way to provide cross-training of United Nations staff in order to ensure business continuity (para. 263).	The Administration has merged the Treasury "back-up" group under the Financial Reporting Unit of the Accounts Division (see paras. 28B.34 and 28B.43 above).

Brief description of the recommendation	*Action taken to implement the recommendation*
The Board reiterates its recommendation that the United Nations develop suitable data-processing tools for cash management (para. 270).	Treasury is testing phase 1 of the ICOS project, and it will be in production by 30 June 2007. ICOS is an integration of IMIS, OPICS and SWIFT (a secure inter-bank messaging system). This phase will allow the straight-through processing of payments. Phase 2 of the ICOS project will provide the ability to manage the cash balances and to maximize investments of respective accounts. Phase 2 is scheduled to be completed by December 2007.
The Board reiterates its recommendation that the Administration ensure that the Information Technology Services Division and the Office of Programme Planning, Budget and Accounts continuously pursue the automation of the consolidation process in order to ensure the integrity and reliability of financial information and to maximize the benefits derived from the technology available (para. 281).	The Administration informed the Board that it has further developed and utilized reports from the NOVA system for the preparation of the financial statements on trust funds for the biennium 2004-2005.
The Board encourages the Administration to continue to review its system of allocating resources in the context of subsequent cancellation of programmed outputs (para. 353).	Allocation of resources is normally reviewed in the context of the preparation of the proposed programme budget for each biennium. Should there be any changes, including cancellation, in the programmed outputs during the biennium, relevant resources may be reprioritized for new outputs, provided that such changes are in pursuance of the objective and strategy of the subprogramme. Changes in outputs will be reported in the biennial programme performance report, whereas any unutilized resources will be reported in the context of the second performance report for the biennium. Both the programme performance reports and expenditure patterns from past bienniums are taken into consideration in reviewing subsequent proposed programme budgets. Instructions for the preparation of the biennial programme plan and the proposed programme budget continue to emphasize and draw upon feedback from monitoring and evaluation portions of the cycle of programme planning, programme aspects of the budget, monitoring of implementation and methods of evaluation.

Brief description of the recommendation	*Action taken to implement the recommendation*
The Board recommends that Treasury, in coordination with the Accounts Division and the Contributions Service, consider reducing the number of bank accounts by making greater use of the Operations Processing Integrated Control System (para. 415).	The implementation of ICOS will facilitate the reduction of the number of bank accounts. The reduction of bank accounts will depend on the ability of IMIS or the new enterprise resource planning system to accommodate it, and the Accounts Division and the Contributions Service to implement it. The Treasury implementation of the investment cash pools had already proved that the reduction of bank accounts is feasible by using OPICS.
The Board reiterates its recommendation that Treasury consider the costs and benefits of adopting a comprehensive cash flow forecasting system, with a view to further enhancing its portfolio performance (para. 419).	ICOS could facilitate the implementation of cash flow forecasting. However, it is important to note that cash flow forecasting is possible only if the data is available in the system. It is known that assessed contributions are not always paid when expected, and that makes it difficult to forecast cash flow. Treasury suggests focusing on finding a means to record estimated times of contributions, which could in turn be used for cash flow forecasting. The Treasury OPICS system is currently providing investment cash schedules, including forward investments, maturities and coupons.
The Board recommends that Treasury automate, to the extent possible, fund sufficiency check in the Operations Processing Integrated Control System (para. 431).	ICOS (an integration of IMIS, OPICS and SWIFT) will implement the fund sufficiency check by December 2007.
The Board recommends that Treasury automate all matching and reconciliation processes required by cash and investment management and between the Operations Processing Integrated Control System and the Integrated Management Information System (para. 441).	The automatic reconciliation will be feasible once phase 1 of ICOS is completed by 30 June 2007. Treasury has proposed several off-shelf reconciliation products and organized several presentations of the same.
The Board recommends that Treasury use fully the capability of the newly installed foreign exchange module in the Operations Processing Integrated Control System (para. 446).	The OPICS foreign exchange module has been successfully tested, and it will be put into production no later than August 2007. The implementation of OPICS foreign exchange became possible when the foreign exchange is funding-based versus invoice-based.
The Administration agreed with the Board's recommendation that it improve the reporting capability of the Operations Processing Integrated Control System (para. 450).	OPICS has been improved, and it continues to be improved. The reporting constantly adjusts to the requirements of the investment officer, the Accounts Division and the fund manager.

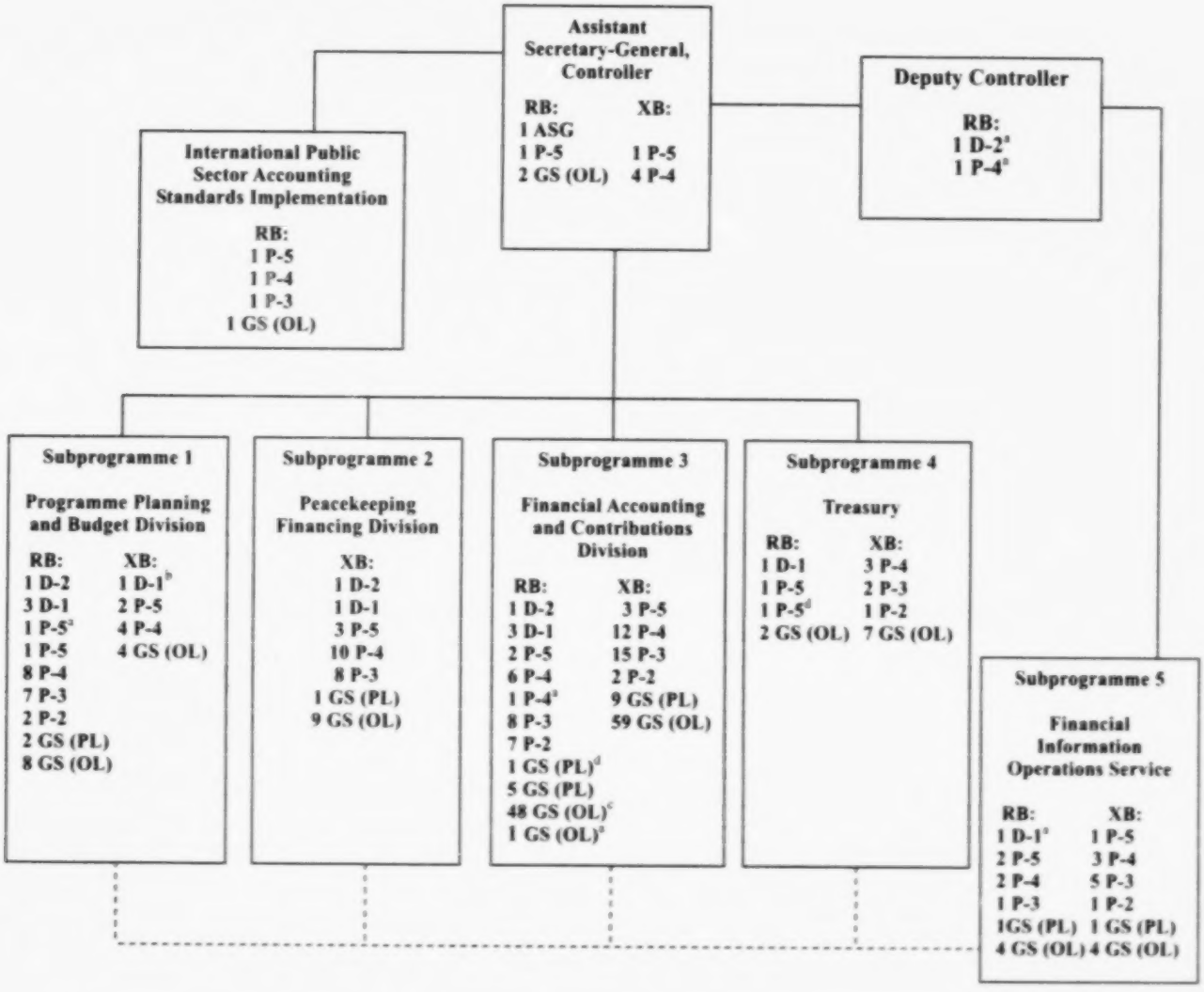
Brief description of the recommendation	*Action taken to implement the recommendation*
The Board recommends that Treasury systematically track, account for and report expenses associated with investment pooling in order to ensure that investment decisions are sound (para. 456).	Treasury is currently recording and accounting for expenses related to the pooling, such as custody fees and bank fees.
The Board recommends that the United Nations issue revised instructions on the management of trust funds, to facilitate the creation of operating reserves (para. 800).	This is part of the ongoing trust fund reform.
Report of the Board of Auditors (A/59/5, vol. I, chap. I)	
The Administration agreed with the Board's recommendations that the Office of Programme Planning, Budget and Accounts, in conjunction with offices away from Headquarters (a) ensure the submission of correct and complete inventory reports in a timely manner, and (b) analyse the non-expendable property still in use but with zero value and, where appropriate, indicate the values based on original records of acquisition or, when such records are not available, based on reasonable estimates (para. 45).	In its year-end instructions for preparation of the 2006 financial statements, the Accounts Division reiterated the importance of accurate submissions of non-expendable property data to all offices and is monitoring reports received to ensure the reasonableness of submissions. Follow-up actions are taken as required.
The Board recommends that the United Nations review the funding mechanism for end-of-service and post-retirement benefit liabilities (para. 47).	A further report on proposed funding of after-service health insurance liabilities was submitted to the General Assembly at its sixty-first session (see A/61/730). The General Assembly subsequently adopted resolution 61/264. The Administration also intends to record the end-of-service benefits (accrued annual leave and repatriation costs) in the financial statements for the biennium 2006-2007 and will review the related methodologies.
The Administration agreed with the Board's recommendation that it continue to develop and conduct training programmes that would address issues involved in the implementation of results-based budgeting (para. 188).	Training of financial personnel is carried out on an ongoing basis. A series of workshops was carried out in the context of preparing the strategic framework for 2008-2009. Other workshops have been held to address the specific training needs of departments/offices, including the International Court of Justice, the International Civil Service Commission and special political missions.

Brief description of the recommendation	*Action taken to implement the recommendation*
The Board recommends that the Administration review its system of allocating resources (para. 196).	The procedures for allocation of resources are set out in General Assembly resolution 41/213 and the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation. Under the terms of resolution 41/213, an outline is submitted to the General Assembly containing an indication of a preliminary estimate of resources to accommodate the proposed programme of activities during the biennium, priorities, real growth and the size of the contingency fund. The proposed programme budget is prepared on the basis of the decision by the General Assembly. The resolution of the General Assembly with regard to the biennium 2008-2009 is 61/254. Accordingly, the proposed programme budget for 2008-2009 will reflect the allocation of resources for the coming biennium. Consistent with established practice, heads of departments will be afforded flexibility in allocating resources within programmes and within the overall level of resources approved so as to ensure the implementation of mandated activities, taking into account developments during the course of the biennium.
The Board reiterates its recommendation that the United Nations develop suitable data-processing tools for cash management (para. 208).	Treasury is in the process of implementing a cash management tool that will facilitate in forecasting cash outflows in an accurate and timely manner. The first phase of the project, interface among SWIFT/OPICS and IMIS, has been successfully implemented. The system has been used for the execution of payments from foreign bank accounts in addition to some local bank accounts. The interface has been in production since January 2005 and has eliminated the task of re-entering disbursement data. The second phase of the project, which will import data from IMIS to the OPICS system, will assist in the forecast of cash requirements. The system will link the fund

Brief description of the recommendation	*Action taken to implement the recommendation*
	accounts in OPICS to their corresponding investment accounts and will provide fund-sufficiency data for cash disbursements and transfers.
The Board recommends that the United Nations (a) review its treasury operations at offices away from Headquarters, and (b) promptly establish formal guidelines, procedures and investment committees, in liaison with the concerned funds and programmes (para. 211).	A review of treasury operations, including those at offices away from Headquarters, was conducted by consultants from Enterplan. In addition, the Treasurer and Senior Investment Officer visited the United Nations Office at Geneva to review the Treasury operations and wrote an internal report on their findings. The transfer of investment funds for the United Nations Office at Geneva to Headquarters was one of the outcomes of the review. As of January 2006, the investment portfolio in Geneva was transferred to the Headquarters Treasury. As a result of this transfer, there are no funds at offices away from Headquarters that are available for investment. This obviates the need for any investment committees at offices away from Headquarters. Thus, all United Nations funds are managed by three investment professionals at Headquarters in accordance with the guidelines in the Common Principles and Policies for Investments. The Common Principles and Policies for Investments is the official United Nations guideline for investment management. The Investment Committee at Headquarters has been operational since 2000.
The Board recommends that the Administration implement the disclosure procedure for investment losses, as provided for in United Nations financial rule 104.16 (para. 214).	A review of the Financial Regulations and Rules of the United Nations is being undertaken in 2007 to harmonize them among the agencies in the United Nations Development Group. As part of the review, financial rule 104.16 may be amended, in line with the application by the Administration of this rule.

Office of Programme Planning, Budget and Accounts

Organizational structure and post distribution for the biennium 2008-2009


Assistant Secretary-General, Controller
RB: 1 ASG, 1 P-5, 2 GS (OL)
XB: 1 P-5, 4 P-4
Deputy Controller
RB: 1 D-2[a], 1 P-4[a]
International Public Sector Accounting Standards Implementation
RB: 1 P-5, 1 P-4, 1 P-3, 1 GS (OL)
Subprogramme 1
Programme Planning and Budget Division
RB: 1 D-2, 3 D-1, 1 P-5[a], 1 P-5, 8 P-4, 7 P-3, 2 P-2, 2 GS (PL), 8 GS (OL)
XB: 1 D-1[b], 2 P-5, 4 P-4, 4 GS (OL)
Subprogramme 2
Peacekeeping Financing Division
XB: 1 D-2, 1 D-1, 3 P-5, 10 P-4, 8 P-3, 1 GS (PL), 9 GS (OL)
Subprogramme 3
Financial Accounting and Contributions Division
RB: 1 D-2, 3 D-1, 2 P-5, 6 P-4, 1 P-4[a], 8 P-3, 7 P-2, 1 GS (PL)[d], 5 GS (PL), 48 GS (OL)[c], 1 GS (OL)[a]
XB: 3 P-5, 12 P-4, 15 P-3, 2 P-2, 9 GS (PL), 59 GS (OL)
Subprogramme 4
Treasury
RB: 1 D-1, 1 P-5, 1 P-5[d], 2 GS (OL)
XB: 3 P-4, 2 P-3, 1 P-2, 7 GS (OL)
Subprogramme 5
Financial Information Operations Service
RB: 1 D-1[a], 2 P-5, 2 P-4, 1 P-3, 1GS (PL), 4 GS (OL)
XB: 1 P-5, 3 P-4, 5 P-3, 1 P-2, 1 GS (PL), 4 GS (OL)

Abbreviations: RB, regular budget; XB, extrabudgetary; ASG, Assistant Secretary-General; GS, General Service; PL, Principal level; OL, Other level.

[a] New post.

[b] Outposted to the Department of Economic and Social Affairs for financial matters related to technical cooperation.

[c] One General Service (Other level) post outposted to the Department of Economic and Social Affairs for statistical support provided to the Contributions Service in the substantive servicing of the Committee on Contributions and the Fifth Committee.

[d] Reclassified.